

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

June 07, 2013

WELL WORK PERMIT

Horizontal 6A Well

This permit, API Well Number: 47-103294, issued to CNX GAS COMPANY LLC , is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: AUD5DHS

Farm Name: JENKINS, DANA L.

API Well Number: 47-103294

Permit Type: Horizontal 6A Well

Date Issued: 06/07/2013

Promoting a healthy environment.



west virginia department of environmental protection

Office of Oil and Gas 601 57th Street Charleston, WV 25304 (304) 926-0450 fax (304) 926-0452 Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

ORDER ISSUED UNDER WEST VIRGINIA CODE, CHAPTER 22, ARTICLE 6

TO: CNX Gas Company LLC

One Energy Drive Jane Lew, WV 26378 DATE: June 6, 2013

ORDER NO.: 2013-W-3

INTRODUCTION

This Order (hereinafter "Order") is issued by the Office of Oil and Gas (hereinafter "OOG"), by and through its Chief, pursuant to the authority of W. Va. Code §§ 22-1-1, 22-6-1 and 22-6A-1 et seq. to CNX Gas Company LLC (hereinafter "CNX" or "Operator"), collectively the "Parties."

FINDINGS OF FACT

In support of this Order, the Chief hereby finds the following:

- 1. OOG, an office within the West Virginia Department of Environmental Protection, is the agency with the duty and authority to execute and enforce W. Va. Code §§ 22-6-1 and 22-6A-1 et seq., and the rules and regulations promulgated thereunder.
- 2. CNX is a "person" as defined by W. Va. Code § 22-6-1(n), with a corporate address as One Energy Drive, Jane Lew, WV 26378.
- 3. On February 14, 2013, CNX submitted applications for gas wells identified as API #s 47-001-03293, 47-001-03294, and 47-001-03295; and on March 25, 2013, API #s 47-001-03297, 47-001-03298, 47-001-03299 and, 47-001-03300, located on the AUD5HS Pad in Barbour County, West Virginia.
- 4. On May 15th, 2013, CNX requested a waiver for a wetland along the northern boundary ("wetland") of the proposed well pad outlined in Exhibit 1, from well location restriction requirements in W. Va. Code § 22-6A-12(b) for a gas well permit applications identified as API #s 47-001-03293, 47-001-03294, 47-001-03295, 47-001-03297, 47-001-03298, 47-001-03299 and, 47-001-03300, located on the AUD5HS Pad in Barbour County, West Virginia.

CONCLUSIONS OF LAW

- 1. West Virginia Code § 22-1-6(d) requires, in part, that "[i]n addition to other powers, duties and responsibilities granted and assigned to the secretary by this chapter, the secretary is authorized and empowered to...(3) Enter private lands to make surveys and inspections for environmental protection purposes; to investigate for violations of statutes or rules which the Office of Oil and Gas is charged with enforcing; to serve and execute warrants and processes; to make arrests; issue orders, which for the purposes of this chapter include consent agreements; and to otherwise enforce the statutes or rules which the Office of Oil and Gas is charged with enforcing"
- 2. West Virginia Code § 22-6A-2(a)(6) requires, in part, that "[c]oncomitant with the broad powers to condition the issuance of well work permits, the secretary should also have broad authority to waive certain minimum requirements of this article when, in his or her discretion, such waiver is appropriate: *Provided*, That the secretary shall submit a written report of the number of waivers granted to the Legislature commencing January 1, 2013, and each year thereafter;"
- 3. West Virginia Code § 22-6A-12(b) requires, in part, that "[n]o well pad may be prepared or well drilled within one hundred feet measured horizontally from any perennial stream, natural or artificial lake, pond or reservoir, or a wetland, or within three hundred feet of a naturally reproducing trout stream. No wellpad may be located within one thousand feet of a surface or ground water intake of a public water supply. The distance from the public water supply as identified by the Office of Oil and Gas shall be measured as follows:(1) For a surface water intake on a lake or reservoir, the distance shall be measured from the boundary of the lake or reservoir. (2) For a surface water intake on a flowing stream, the distance shall be measured from a semicircular radius extending upstream of the surface water intake.(3) For a groundwater source, the distance shall be measured from the wellhead or spring. The Office of Oil and Gas may, in its discretion, waive these distance restrictions upon submission of a plan identifying sufficient measures, facilities or practices to be employed during well site construction, drilling and operations to protect the waters of the state. A waiver, if granted, shall impose any permit conditions as the secretary considers necessary."

<u>ORDER</u>

Therefore, the Office of Oil and Gas grants CNX Gas Company LLC a waiver for this wetland from well location restriction requirements in W. Va. Code § 22-6A-12(b) for gas well permit applications identified as API #s 47-001-03293, 47-001-03294, 47-001-03295, 47-001-03297, 47-001-03298, 47-001-03299 and, 47-001-03300, located on the AUD5HS Pad in Barbour County, West Virginia.. The Office of Oil and Gas hereby **ORDERS** that CNX Gas Company LLC shall meet the following site construction and operational requirements for the AUD5HS well pad:

- 1. CNX Gas Company, LLC shall meet the following site construction and operational requirements for the AUD5HS well pad:
 - a. A berm shall be constructed around the perimeter of the pad to contain any potential spills and storm water runoff. Berm is to be at least two feet (2') in height;
 - b. Filter/silt socks and erosion control blankets shall be installed on all slopes and down gradient locations of the pad and topsoil pile areas steeper than 3H:1V, as erosion and sediment controlling BMPs;
 - c. The wetland shall have a compost filter sock installed no less than twenty-five feet (25') away from the northern boundary;
 - d. Disturbed areas not used for operations shall be seeded and mulched per the seeding tables in the WVDEP-OOG Erosion and Sediment Control Manual:
 - e. Drilling muds shall be disposed of in a permitted landfill;
 - f. Waste generated by the flowback treatment systems shall be sent to offsite disposal at a permitted landfill;
 - g. Weekly site inspections shall be conducted to monitor and maintain the integrity of the BMP storm water controls;
 - h. Weekly storm water and spill prevention inspections shall be conducted focusing on storm water and spill prevention BMPs and maintenance of these BMPs;
 - i. Inspections of the storm water and spill prevention measures shall be conducted after any major storm event defined as a half inch (½") rain within any twenty-four (24) hour period;
 - j. Pad inspections shall be conducted no less than once a week to identify and mitigate potential deficiencies;
 - k. All records from inspections shall be maintained on site for the life of the project and be available upon request.

Thus ORDERED, the 6th day of June 2013.

IN THE NAME OF THE STATE OF WEST VIRGINIA:

OFFICE OF OIL AND GAS DEPARTMENT OF ENVIRONMENTAL PROTECTION STATE OF WEST VIRGINIA

Order No. 2013-W-3

PERMIT CONDITIONS

West Virginia Code § 22-6A-8(d) allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

- 1. The subject application contains information which indicates that the proposed activity may require permit coverage from the United States Army Corps of Engineers (USACOE). Through this permit, you are hereby being advised to consult with USACOE regarding this proposed activity.
- 2. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6A-5a (12), which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 3. When compacting fills, each lift before compaction shall not be more than 12 inches in height, and the fill material shall be within plus or minus 2% of the optimum moisture content as determined by the standard proctor density test, ASTM D698, Standard Test Method for Laboratory Compaction Characteristics of Soil Using Standard Effort. Each lift must meet 95 % compaction of the optimum density based on results from the standard proctor density test of the actual soils used in specific engineered fill sites. Each lift shall be tested for compaction, with a minimum of two tests per lift per acre of fill. All test results shall be maintained on site and available for review.
- 4. Operator shall install signage per § 22-6A-8g (6) (B) at all source water locations included in their approved water management plan within 24 hours of water management plan activation.
- 5. Oil and gas water supply wells will be registered with the Office of Oil and Gas and all such wells will be constructed and plugged in accordance with the standards of the Bureau for Public Health set forth in its Legislative rule entitled *Water Well Regulations*, 64 C.S.R. 19. Operator is to contact the Bureau of Public Health regarding permit requirements. In lieu of plugging, the operator may transfer the well to the surface owner upon agreement of the parties. All drinking water wells within fifteen hundred feet of the water supply well shall be flow tested by the operator upon request of the drinking well owner prior to operating the water supply well.
- 6. Pursuant to the requirements pertaining to the sampling of domestic water supply wells/springs the operator shall, no later than thirty (30) days after receipt of analytical data provide a written copy to the Chief and any of the users who may have requested such analyses.

WW - 6B (1/12)

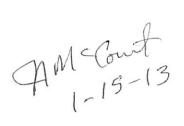
STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS W.VA. CODE §22-6A - WELL WORK PERMIT APPLICATION

1) Well Operator:	NX Gas Company, LLC		494495754	Barbour	Union	Audra
			Operator ID	County	District	Quadrangle
2) Operator's Well N	umber: AUD5DHS	8		Well Pad Nam	ne: AUD5HS	
3 Elevation, current g	ground: 1622'	Ele	vation, proposed	post-construc	tion:	1620'
4) Well Type: (a) Ga Ot (b) If 0	her	Oil	Deep			
. ,	Horizontal					
5) Existing Pad? Yes	or No: No	-				
6) Proposed Target F	ormation(s), Depth 1880, Thickness - 90', Pressur		ed Thicknesses an	nd Associated	Pressure(s):	
7) Proposed Total Ve	rtical Depth:	3070'				
8) Formation at Total	Vertical Depth:	Onondaga Grou	р			
9) Proposed Total Me	easured Depth:	13000'				
10) Approximate Fre	sh Water Strata De	pths: 72	', 165', 505'			
11) Method to Deterr			eference Well # 33306 API	I # 47-001-02985 - S	Seneca Technology	data base
12) Approximate Sal		None Anticipated				
13) Approximate Coa	100 mm	165', 505'			· ·	
14) Approximate Dep		d (coal mine,	karst, other):	None Anticipat	ed /	
15) Does land contain				No		
16) Describe propose		1776	ew horizontal Marcellus we	real recommendation of the State of the	to TMD of 13000'.	If an unexpected
	Il be to set casing at a minimu					
	nondaga Group, nor will there					
15. 5. 11. 6		1 ' 1 4 '1				
	ng/stimulating methole stages divided over the later sand, water, and chemicals.			nt upon engineering d	esign. Slickwater fra	cturing technique will be
dilizad ari adam ataga dariig						
18) Total area to be o	disturbed, including	roads, stock	oile area, pits, etc,	(acres):	16.62 Acres	i
19) Area to be distur	bed for well pad on	ly, less acces	s road (acres):	11.88 Acre	es .	

RECEIVED
Office of Oil and Gas

MAY 20 2013

WV Department of Environmental Protection



20)

CASING AND TUBING PROGRAM

ТҮРЕ	Size	New or Used	Grade	Weight per ft.	FOOTAGE: For Drilling	INTERVALS: Left in Well	CEMENT: Fill -up (Cu. Ft.)
Conductor	20"	N	L.S.	81.3#	30'	30'	Sand In
Fresh Water	13 3/8	Ν	J-55	54.5#	600'	600'	CTS w/ approved Class A Type Cement
Coal							
Intermediate	9 5/8	N	J-55	36#	2000'	2000'	CTS w/ approved Class A Type Cement
Production	5 1/2	N	P-110	20#	13000'	13000'	2400 cu. ft. w/ 50/50 POZ Lead & Class A Tail
Tubing	2 3/8	N	J-55	4.7#	8380'	8380'	
Liners							

TYPE	Size	Wellbore Diameter	Wall Thickness	Burst Pressure	Cement Type	Cement Yield
Conductor	20"	26"	0.438	2110	Class A Type	1.18
Fresh Water	13 3/8"	17 1/2"	0.380	2730	Class A Type	1.39
Coal						
Intermediate	9 5/8"	12 3/8"	0.352	3520	Class A Type	1.18
Production	5 1/2"	8 3/4" and 8 1/2"	0.361	12640	Class A Type	1.26
Tubing	2 3/8"	8 3/4" and 8 1/2"	0.190	7700		
Liners					CENT	21.10
			PAC	KERS	Office of Or	14 2013

PACKERS

Kind:	None			SOUTH MOIS
Sizes:	None	7	. 11	18100
Depths Set:	None	, a a	ĒL,	

1) Describe centralizer placement for each casing str	ing. Conductor -	No centralizers used. Fresh Water & Coal -
Bow spring centralizers on first joint then every fourth jo	oint to 100 feet from su	rface. Intermediate - Bow spring
centralizers one on the first two joints and every fourth	joint until inside surface	e casing. Production - Rigid bow spring
centralizer on first joint then every 2 casing joints (free	floating) through the lat	teral and the curve.
(Note: cementing the 5 1/2" casing completely in open	hole lateral and curve.)	
2) Describe all cement additives associated with each	h cement type.	Conductor - 2% CaCl2.
Fresh Water/Coal - 2% CaCl2. Intermediate - 2% CaCl2	. Production - 2.6% Cer	ment extender, 0.7% Fluid loss additive
0.5% High Temperature Retarder, 0.2% Friction Reduc	cer	
A ADDAMAGNA DA ADA		
3) Proposed borehole conditioning procedures.	Conductor - The hole is dri	illed w/air and casing ran in air. Apart from insurin
the hole is clean via air circulation at TD, there are no other condition	ning procedures. Fresh Wate	er/Coat - The hole is drilled w/air and casing is ra
in air. Once casing is on bottom, the casing shoe will be cleared v	vith fresh water and gel prior	r to cementing. Intermediate - The hole is drille
w/air and casing is ran in air. Once casing is on at bottom, the case	sing shoe will be cleared wit	th fresh water and gel prior to cementing. (Not
Drilling soap may be utilized if the hole gets wet/damp during the	e drilling of all air holes wit	h the exception of the conductor) Production
The hole will be drilled with synthetic oil base mud and once	e at TD the hole is circula	ated at a drilling pump rate until the hole i
clean, Once casing is ran the hole is circulated for a m	ninimum of one hole vol	ume prior to pumping cement.

*Note: Attach additional sheets as needed.



Cement Additives

- Conductor 2% CaCl2
- Freshwater/Coal 2% CaCl2
- Intermediate 2% CaCl2
- Production
 - o 2.6% Cement extender
 - o 0.7% Fluid Loss Additive
 - o 0.5% High Temperature Retarder
 - o 0.2% Friction Reducer

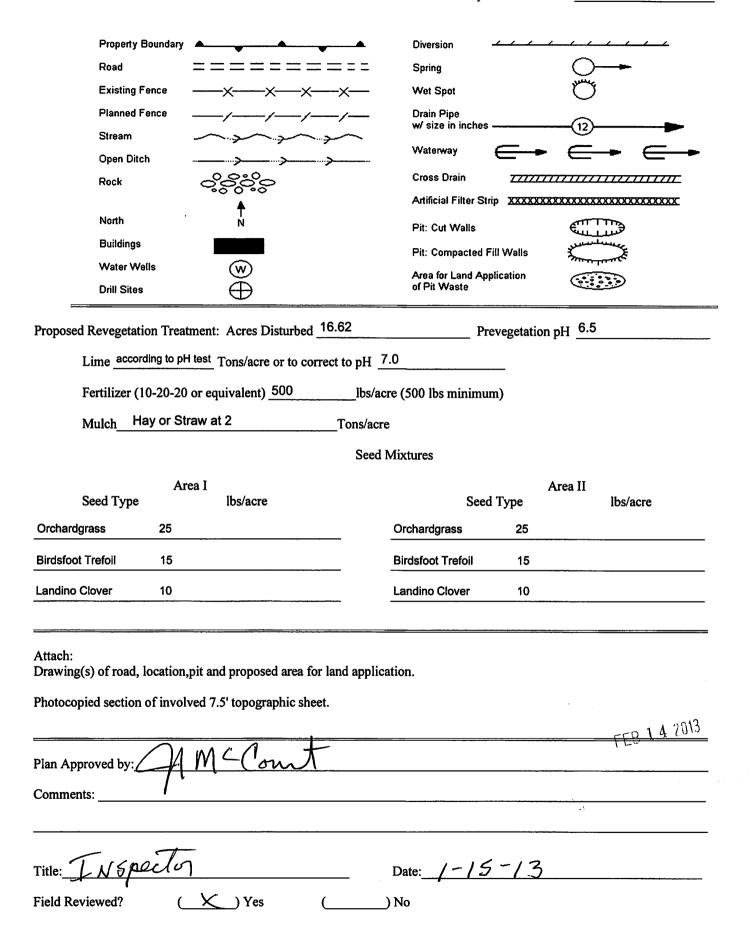
Office of Share the Person

API No.	47 -	001	-	03	294	
Operator	's We	II No	AUD5DF	IS		

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS

CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name_CNX Gas Company, LLC	OP Code 494495754
Watershed Buckhannon River Quadrangle Aud	dra
Elevation 1622' County Barbour	District Union
Description of anticipated Pit Waste: Fluids associated with the drilling of new gas wells	- Sus
Do you anticipate using more than 5,000 bbls of water to complete the proposed we Will a synthetic liner be used in the pit? Yes If so, what mil.? 60 m	
Proposed Disposal Method For Treated Pit Wastes: Land Application Underground Injection (UIC Permit Number Reuse (at API Number Off Site Disposal (Supply form WW-9 for disposal local Other (Explain Recycle on other well on same pad or adjacen	tion)
Drilling medium anticipated for this well? Air, freshwater, oil based, etc. Air and war also also also also also also also also	
-Landfill or offsite name/permit number? MeadowFill, S&S Landfill, and Northw	
I certify that I understand and agree to the terms and conditions of the G on August 1, 2005, by the Office of Oil and Gas of the West Virginia Department provisions of the permit are enforceable by law. Violations of any term or condition or regulation can lead to enforcement action. I certify under penalty of law that I have personally examined and an application form and all attachments thereto and that, based on my inquiry of those the information, I believe that the information is true, accurate, and complete. submitting false information, including the possibility of fine or imprisonment.	of Environmental Protection. I understand that the on of the general permit and/or other applicable law a familiar with the information submitted on this e individuals immediately responsible for obtaining I am aware that there are significant penalties for
Company Official Signature	Doda College on one
Company Official (Typed Name) Jeremy Jones	FEB 1 4 2013
Company Official Title Designated Agent - General Manager WV Gas Operations	IN Department
Subscribed and sworn before me this 8th day of February	, 20 \3
Kelly a. Coldy My commission expires September 18, 2018	Notary Public OFFICIAL SEAL STATE OF WEST VIRGINIA KELLY A. EDDY RT 2 BOX 225A JANE LEW, WV 26378 MY COMMISSION EXPIRES SEPT. 18, 2018



west virginia department of environmental protection



Water Management Plan: Secondary Water Sources



WMP-01105 API/ID Number 047-001-03294 Operator: Consol Energy - WV
AUD5DHS

Important:

noted.

For each proposed secondary water source identified in your water management plan (i.e., groundwater well, lake/reservoir, recycled frac water, multi-site impoundment, out-of-state source), DEP makes no estimation of the availability of water. These sources may prove to be unsuitable water supplies. Please review the following notes:

- •For groundwater supply wells, DEP recommends that the operator contact the local health department prior to drilling any new well; and reminds the operator that all drinking water wells within 1,500 feet of a water supply well shall be flow- and quality-tested by the operator at the request of the drinking well owner prior to operation of the water supply well.
- •For each proposed multi-site impoundment water source identified in your water management plan (if applicable), DEP will review the withdrawal limits established in the referenced Water Management Plan for current suitability and provide to the operator these limits for each identified intake. Note that withdrawal limits may be modified as necessary based on changing demands upon that water supply.

Multi-site	impo	undment							
Source ID:	14168	Source Name	Warder North	Impoundment		Source star		5/1/2013 5/1/2014	
		Source Lat:	39.192505	Source Long:	-80.025198	County	Ва	arbour	
		Max. Daily Pu	rchase (gal)		Total Volu	me from Source	(gal):	3,696,000	
	DEP Co	omments:							
					anagement plan		Referen	nce: WMP-189)

APPROVED MAY 2 4 2013

WMP-01105	API/ID Number	047-001-03294	Operator:	Consol Energy - WV
	A	UD5DHS		

Important:

For each proposed secondary water source identified in your water management plan (i.e., groundwater well, lake/reservoir, recycled frac water, multi-site impoundment, out-of-state source), DEP makes no estimation of the availability of water. These sources may prove to be unsuitable water supplies. Please review the following notes:

- •For groundwater supply wells, DEP recommends that the operator contact the local health department prior to drilling any new well; and reminds the operator that all drinking water wells within 1,500 feet of a water supply well shall be flow- and quality-tested by the operator at the request of the drinking well owner prior to operation of the water supply well.
- •For each proposed multi-site impoundment water source identified in your water management plan (if applicable), DEP will review the withdrawal limits established in the referenced Water Management Plan for current suitability and provide to the operator these limits for each identified intake. Note that withdrawal limits may be modified as necessary based on changing demands upon that water supply.

Source ID:	14169	Source Name	Warder South	Impoundment		Source start date	
						Source end date	5/1/2014
		Source Lat:	39.19097	Source Long:	-80.025198	County	Barbour
		Max. Daily Pu	rchase (gal)		Total Volu	me from Source (gal):	3,570,000
	DEP Co	mments:					
	000						

The intake identified above has been defined in a previous water management plan. The thresholds established in that plan govern this water management plan unless otherwise noted.

Reference: WMP-190

WMP-01105	API/ID Number	047-001-03294	Operator:	Consol Energy - WV
	A	UD5DHS		

Important:

For each proposed secondary water source identified in your water management plan (i.e., groundwater well, lake/reservoir, recycled frac water, multi-site impoundment, out-of-state source), DEP makes no estimation of the availability of water. These sources may prove to be unsuitable water supplies. Please review the following notes:

- •For groundwater supply wells, DEP recommends that the operator contact the local health department prior to drilling any new well; and reminds the operator that all drinking water wells within 1,500 feet of a water supply well shall be flow- and quality-tested by the operator at the request of the drinking well owner prior to operation of the water supply well.
- •For each proposed multi-site impoundment water source identified in your water management plan (if applicable), DEP will review the withdrawal limits established in the referenced Water Management Plan for current suitability and provide to the operator these limits for each identified intake. Note that withdrawal limits may be modified as necessary based on changing demands upon that water supply.

Source ID:	14170	Source Name	ALT 1 Flowback	k Pit		Source start date: Source end date:	5/1/201 5/1/201
		Source Lat:	38.793967	Source Long:	80.183196	County	Barbour
		Max. Daily Pu	rchase (gal)		Total Volu	me from Source (gal):	3,977,064
ource ID:	14171	Source Name	PHL 1 Flowbac	k Pit		Source start date:	
ource ID:	14171				-80.018833	Source end date:	5/1/201 5/1/201 Barbour
ource ID:	14171	Source Name Source Lat: Max. Daily Pu	39.192372	k Pit Source Long:	-80.018833 Total Volu	Source end date:	

WMP-01105	API/ID Number	047-001-03294	Operator:	Consol Energy - WV
	А	UD5DHS		

Important:

For each proposed secondary water source identified in your water management plan (i.e., groundwater well, lake/reservoir, recycled frac water, multi-site impoundment, out-of-state source), DEP makes no estimation of the availability of water. These sources may prove to be unsuitable water supplies. Please review the following notes:

- •For groundwater supply wells, DEP recommends that the operator contact the local health department prior to drilling any new well; and reminds the operator that all drinking water wells within 1,500 feet of a water supply well shall be flow- and quality-tested by the operator at the request of the drinking well owner prior to operation of the water supply well.
- •For each proposed multi-site impoundment water source identified in your water management plan (if applicable), DEP will review the withdrawal limits established in the referenced Water Management Plan for current suitability and provide to the operator these limits for each identified intake. Note that withdrawal limits may be modified as necessary based on changing demands upon that water supply.

Source ID:	14172	Source Name	Various		Sou	urce start date:	5/1/2013	
					So	ource end date:	5/1/2014	
		Source Lat:		Source Long: County		nty		
	Max. Daily Purchase (gal)			Total Volume from	110,000			
	DEP Co	mments:						

